

Drug Intelligence Brief



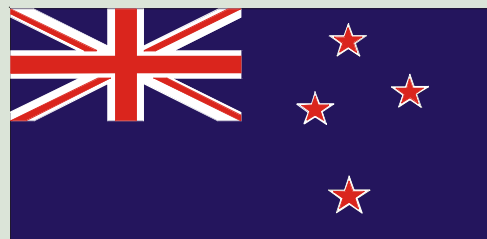
DRUG ENFORCEMENT ADMINISTRATION
INTELLIGENCE DIVISION

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NEW ZEALAND COUNTRY BRIEF: Drug Situation Report



DEA Office Responsible: Canberra Country Office
Type of Government: Parliamentary democracy
Official Name: New Zealand
Capital: Wellington
Population: 3,864,129 (July 2001)



Status in International Drug Trafficking

New Zealand plays a small but significant role in international drug trafficking. New Zealand is a transit point for drugs (mainly Southeast Asian heroin) bound for Australia or North America. Methamphetamine and 3, 4-methylenedioxymethamphetamine (MDMA, a.k.a. Ecstasy) production, trafficking, and abuse have become concerns for New Zealand law enforcement authorities.

Cultivation, Production, and Trafficking

Cannabis

The only significant domestically-grown controlled substance of abuse in New Zealand is cannabis. New Zealand's North Island is the principal cultivation area due to favorable climatic conditions and the rural location. Cultivators tend cannabis plots throughout the countryside that are hidden in remote brushlands. They usually visit their plots on a daily basis and use traps and fences for protection from wild animals and law enforcement authorities. Occasionally, some cultivators will remain at their plots for the entire growing season.

Local organized crime groups dominate cannabis cultivation, trafficking, and distribution networks throughout the country. Despite the eradication of 400,000 to 500,000 cannabis plants annually, there has been little fluctuation in the price or availability of marijuana in New Zealand.

Cocaine

The amount of cocaine shipped to and through New Zealand is small but increasing. Shipments occur only sporadically using a variety of methods that include both couriers and maritime transport. Cocaine shipments originate in either South America or the United States, with some being destined for Australia. Many recent seizures involved couriers utilizing flights originating in Argentina or Chile. Cocaine seizures in New Zealand have increased from less than 1 kilogram in most years to over 8 kilograms in 2003.

Heroin

There is a limited amount of heroin transiting New Zealand from Southeast and Southwest Asia—less than 1 kilogram is seized each year. Several smuggling methods are used including couriers and maritime transport.

When local heroin supplies are not available, abusers in New Zealand resort to the “homebake” method. This processing method extracts morphine from legitimate over-the-counter codeine-based products. The morphine extraction process is relatively simple, but yields are very small, ranging from 6 to 8 cubic centimeters.

Synthetic Drugs

Methamphetamine and MDMA production, trafficking, and abuse are becoming concerns for New Zealand law enforcement authorities as seizures of these drugs increase. The most notable increase has been in MDMA. MDMA seizures have increased from approximately 13,000 tablets in 1999 to more than 266,000 tablets in 2003.

During 2002 and 2003, New Zealand law enforcement authorities noted a significant increase in the number of methamphetamine laboratory seizures, including a number of “auto trunk-sized” clandestine laboratories. In the first 11 months of 2003, New Zealand law enforcement officials seized 146 methamphetamine laboratories throughout the islands.

Methamphetamine Laboratories Seized

Year	1996	1997	1998	1999	2000	2001	2002	2003*
Laboratories	2	2	1	5	9	41	147	146

*January through November statistics
Source: New Zealand National Police Department

Although most of the methamphetamine traditionally consumed in New Zealand is in domestically-produced powder form, recent seizures indicate a substantial increase in the amount of imported crystal methamphetamine. A significant amount of crystal methamphetamine is imported in containerized cargo from China by Asian transnational organized crime groups. There have also been several seizures of methamphetamine tablets from Southeast Asia.

From January 2002 to the present, there have been several major seizures of MDMA in New Zealand. Based on information obtained about these seizures, local authorities report that a variety of transnational organized crime groups are now actively exploiting the country as a transit area and consumer market for internationally-produced MDMA. Recent information also indicates that Israeli organized crime groups control a significant portion of the MDMA market in New Zealand.

Drug-Related Money Laundering

Money laundering occurs in New Zealand, but is not considered an extensive or significant problem. Law enforcement authorities continue to promote efforts to combat money laundering in the South Pacific Region. The New Zealand Police have successfully conducted numerous money laundering investigations. Many of the assets from these investigations have been seized and forfeited as drug proceeds.

Drug Abuse and Treatment

The main drugs of abuse are marijuana, Ecstasy, and methamphetamine. Other available drugs include heroin, cocaine, and lysergic acid diethylamide (LSD). The use of

Ecstasy and methamphetamine has increased over the last few years, but no statistics are available.

The Ministry of Health, responsible for the oversight of drug treatment programs, issued new Opioid Substitution Treatment Practice Guidelines in February 2003. These guidelines supercede the National Protocol for Methadone Treatment in New Zealand issued in 1996. The United Nations (U.N.) International Drug Control Board recognizes the New Zealand National Drug Policy as an effective deterrent to drug abuse and a means to deal with the consequences of that abuse. New Zealand also has two Drug Abuse Resistance Education (D.A.R.E.) chapters in the country.

Drug Law Enforcement Agencies

The two agencies that enforce national drug laws are the New Zealand National Police Department (the only police department) and the New Zealand Customs Service. The New Zealand Customs Service is responsible for border protection, mail screening, coastal watch, and combating the importation of illegal drugs. After the New Zealand Customs Service makes a drug seizure, the follow-up investigation is the responsibility of the National Police.

The New Zealand National Police and the Customs Service operate overseas liaison officer posts in Bangkok, Thailand and Sydney and Canberra, Australia. The New Zealand National Police also have established posts in London, England, and Washington, D.C.

Treaties and Conventions

New Zealand is a signatory to the 1988 U.N. Drug Convention and the U.N. Convention against Transnational Organized Crime. It is a member of both the Financial Action Task Force and the Asia/Pacific Group on Money Laundering. New Zealand and the United States have mutual treaties for the extradition of drug traffickers as spelled out in the Fugitive Offenders Act of 1881 (by the United Kingdom).

Seizures

Year	Heroin kilograms	Cocaine kilograms	Marijuana kilograms	MDMA tablets	Methamphetamine kilograms
1999	.544	.454	323.6	13,179	1.1
2000	.066	.249	332.3	9,352	10.1
2001	4.5	NA	NA	83,488	NA
2002	NA	NA	NA	255,000	NA
2003*	.243	8.231	563.6	266,677	2.1

*January through November statistics

Source: New Zealand National Police Department

Methamphetamine Arrests Reported

2001	2002	2003*
2,212	2,841	3,088
*January through November statistics		
Source: New Zealand National Police Department		

Key Judgments

Increasing production, trafficking, and abuse of synthetic drugs, such as Ecstasy and methamphetamine are becoming significant problems in New Zealand. The amount of MDMA seized since 2001 has increased dramatically as has the number of methamphetamine laboratories seized in New Zealand. Based on recent investigative reporting from local authorities, transnational organized crime groups are beginning to target New Zealand as a transit area and consumer market for MDMA produced in other countries.

This report was prepared by the Europe, Asia, Africa Strategic Intelligence Unit of the Office of Strategic Intelligence. This report reflects information received through March 2004. Comments and requests for copies are welcome and may be faxed to the Intelligence Production Unit, Intelligence Division, DEA Headquarters, at (202) 307-8726.

